

**TESTIMONY OF PATRICK C. ENGLISH, ESQ.\* BEFORE  
THE SENATE COMMERCE COMMITTEE  
MAY 23, 2001**

In 1998 I testified before this Committee. My testimony began as follows:

**Imagine a major professional sport where the ruling change as the participants cross state lines. Imagine a professional sport where contracts valid in one state are invalid in another. Imagine a major professional sport where a team owner can be banned by one state's regulatory authority, can have multiple allegations of actual fraud against him (some alleging fraud against his players) and yet still be permitted to do business without the slightest effort to investigate by regulations in states where the fraud is alleged to have occurred.**

**It is obvious that a professional sport cannot be run that way - and this is precisely the way boxing is, in fact, run.**

Without the slightest doubt, the Muhammad Ali Act has improved some of the abuses in boxing. The anti-coercive provisions of the Act are extremely important. The prohibitions of conflict of interest between managers and promoters is extremely important. The requirement for a published criteria for ratings and ratings changes is clearly very important. I note that, unfortunately, the requirement for criteria did not include a requirement that the criteria be rational, and the criteria of at least one of the ratings organizations is wholly irrational). Clearly the health and safety facets of the Act, and its predecessors, have enhanced the safety of boxers tremendously. For actual bout rules for title bouts there is uniformity.

Certain problems identified in 1998 still remain, however. Generally the states do not have either the resources or the willingness to investigate wrongdoing. As an example, there was recently testimony in a criminal trial of overt bribery for rankings. Promoters who engaged in wrongdoing but who assisted the government in the prosecution were punished by very substantial fine - as they should have been if improper actions were authorized by the promotion company. However promoters and managers about whom testimony was given that there were bribes emerged completely unscathed - and uninvestigated.

I would be the last to suggest that the presumption of innocence should not apply. However, where there is testimony as to bribes, and even tapes of money distributed, does it make any sense at all to punish the cooperative parties and to not even investigate those against whom there is evidence but who have stonewalled?

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\*Mr. English's curriculum vitae is annexed.

Despite recommendation for uniformity by the National Association of Attorney General Task Force on Boxing (upon which I served as an advisory committee member) the business regulation of contracts is extremely inconsistent, with contracts being valid under the law and regulations of some states but not of others.

Failure to obtain licenses commensurate with what one's actual functions is a problem. Person who are either promoters or managers do not license themselves as such. Instead they go by the rubric of "matchmaker."

Lawlessness in the contractual aspects of the sport is as egregious as I have seen in twenty years. Contracts - legitimate arm's length contracts - means nothing. Allow me to give what I consider to be a particularly egregious example - one which has not made headlines. A boxer sought to break a managerial contract. He had no grounds, but at the request of the parties the Executive Director of the New Jersey Athletic Control Board (which had jurisdiction over the contract), held a full hearing. Both sides were permitted to state their cases in full. He then issued a ruling, holding the contract to be valid.

One would think that would be the end of it - but it wasn't. The boxer then fought in a different state, which did hold the manager's share of the purse, but would not turn it over to him. Instead it tried to pay over the manager's share to the New Jersey Athletic Control Board, which has no mechanism to accept it. The money remains undistributed to the manager. The boxer then fought in yet another state; that state declined to honor the New Jersey ruling at all.

The situation is, obviously, ludicrous. Full faith and credit should be given when a due process hearing has been given and resulted in a determination.

I have deliberately chosen an example of contractual lawlessness which is not prominently displayed in the press. It is, unfortunately, all too typical.

To highlight a more public dispute, we have reached the point where a prominent promoter brings a suitcase full of cash - or was it a duffel bag - to induce a boxer who appears to be under contract to breach that contract. I enclose a sworn statement by the current Heavyweight Champion outlining how he was induced by Ten Thousand Dollars (\$10,000.00) in cash to breach a contract prior to his becoming the Heavyweight Champion. Apparently the cost of his soul increased by fiftyfold, because the cash recently reportedly slipped to him by the very same promoter who induced the first breach was Five Hundred Thousand Dollars (\$500,000.00).

In my 1998 testimony I offered a series of suggestions some were ultimately incorporated into the Muhammad Ali Act. However, I confess that I do not have a solution to the utter contractual lawlessness which exists. I am not sure that there can be a legislative solution. My purpose in this regard is simply to report what is one prevalent problem in the boxing industry.